

PRESS RELEASE

Cover Technologies Inc. Announces Letter of Intent to Acquire DeFi Technology

Vancouver, B.C., Canada – May 19, 2021 – COVER TECHNOLOGIES INC. (CSE: COVE) (OTC: MGPRF) (Frankfurt: 304A) (the “Company” or “Cover”) is pleased to announce that on May 19, 2021, it entered into a letter of intent to acquire from Nifty Technologies Inc. (“Nifty”), its Flurbo technology. Nifty is a developer of solutions that facilitate tracking, trading, transacting, and borrowing against digital assets, all in a secured and transparent manner. Nifty has developed a technology known as Flurbo, for decentralized finance (“DeFi”) applications.

The acquisition of Flurbo is expected to constitute a “fundamental change” for Cover, as defined in the Canadian Securities Exchange (the “CSE”) policies. Pursuant to CSE policies, the Company’s stock has been halted and will remain halted until all required documentation with respect to the transaction has been received by the CSE, and the CSE and applicable securities regulatory authorities are otherwise satisfied that the halt should be lifted. Without limiting the generality of the foregoing, the acquisition of Flurbo will require CSE and shareholder approval.

DeFi is an umbrella term for a variety of financial applications in blockchain geared towards making new advancements in financial technology. DeFi refers to digital, peer-to-peer financial services technologies that permit crypto trading, loans, interest accounts, and other services.

Cover views the asset acquisition of Flurbo as a complement to its current business of developing a technology to process magnesium from tailings in an environmentally and sustainable manner. The acquisition of Flurbo will equip the Company with the technology to vertically integrate the various levels of the resource sector from initial production to processing, and then up the supply chain, logistics, and finance. Cover's acquisition of Flurbo is an opportunity to aggregate all participants and transactions at all levels in the resources industry by providing one trusted and transparent digital solution. The DeFi solution from Flurbo will provide resource producers the ability to capture mineral production statistics to help streamline logistics and financing, and facilitate provenance tracking. The Flurbo solution may be used by a wide variety of participants including producers, purchasers, financial institutions, financiers, streamers, logistics companies, and assayers.

Terms of the Acquisition

Under the terms of the letter of intent, Cover will acquire a 100% interest in the Flurbo technology, the rights and ownership to use the name “Nifty Technologies”, and the services of Flurbo's chief technology officer to manage the development of Flurbo. As consideration for the acquisition of Flurbo, Cover shall pay to the shareholders of Nifty (the “Vendors”) the aggregate purchase price of \$1,457,500 million (the “Purchase Price”). The Purchase Price shall be satisfied by the issuance of an aggregate of 5,500,000 common shares in the capital of Cover (each a “Consideration Share”) at an attributed price equal to Cover's last private placement on February 12, 2021, being \$0.265 per Consideration Share. In the event that Flurbo achieves a positive EBITDA within twenty-four (24) months from closing of the transaction, Cover will issue an additional number of shares equal to \$3,500,000 at the time of such achievement (the “Performance Shares”). The Consideration Shares and Performance Shares will be issued to the Vendors on a pro-rata basis, and shall be subject to a four (4) month and one (1) day hold period. The Vendors are arm’s-length to one another. Upon closing, none of the Vendors will individually own 10% or more of the issued and outstanding shares of the Company on a non-diluted basis. The acquisition of Flurbo remains subject to the execution of a definitive agreement between Cover and the Vendors.

The Company will provide additional updates in connection with the acquisition of Flurbo as material events develop.

On behalf of the Board of Directors of the Company,

COVER TECHNOLOGIES INC.

"Tony Louie"

Tony Louie, CEO and Director

For further information, please contact:

Cover Technologies Inc. Investor Relations

+1 604-687-2038

info@covertechnologies.com

Neither the Canadian Securities Exchange nor its Regulation Services Provider accepts responsibility for the adequacy or accuracy of this news release.

About Cover Technologies Inc.

Cover Technologies Inc. is a technology research & development company with a focus on emerging technologies and solutions. In addition to the current research and development on its magnesium processing technology, Cover Technologies is in pursuit of identifying opportunities in emerging technologies. For further information or questions regarding the Company kindly contact the Company via email at info@covertechnologies.com. Additional information can be found by viewing the Company's filings at www.sedar.com.

Forward-Looking Information

Information set forth in this press release may involve forward-looking statements, including statements relating to the securities of the Company trading on the CSE. Forward-looking statements are statements that relate to future, not past, events. In this context, forward-looking statements often address a company's expected future business and financial performance, and often contain words such as "anticipate", "believe", "plan", "estimate", "expect", and "intend", statements that an action or event "may", "might", "could", "should", or "will" be taken or occur, or other similar expressions. By their nature, forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause our actual results, performance or achievements, or other future events, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such factors include, among others, the following risks: risks associated with marketing and sale of securities; the need for additional financing; reliance on key personnel; the potential for conflicts of interest among certain officers or directors with certain other projects; and the volatility of common share price and volume. In this case, disclosure about the proposed acquisition of Flurbo is a forward-looking statement, and there is a risk that the acquisition may not occur or occur as planned, and there is a risk that such event(s) occurring or not occurring (whether at all or as planned) may have adverse unforeseen impact on the Company, its market for securities, and/or its future business prospects (which include fundraising and operational matters). Forward-looking statements are made based on management's beliefs, estimates and opinions on the date that statements are made and except as required by law, the Company undertakes no obligation to update forward-looking statements if these beliefs, estimates and opinions or other circumstances should change. Investors are cautioned against attributing undue certainty to forward-looking statements. For further information on risk, investors are advised to see the Company's MD&A and other disclosure filings with the regulators which are found at www.sedar.com.